

Consent to avail Margin Trading Facility

To,
ASHLAR SECURITIES PRIVATE LIMITED (ASPL), 1D, A-1, Sector-10, Noida-201301, Uttar Pradesh

Dear Sir,

I/We _____ (Client's Name) am/are a registered client with a Trading account no (client code) _____ & Demat A/c No _____ willing to avail Margin Trading Facility (MTF) offered by Ashlar Securities Private Limited (ASPL).

I/We hereby accord my consent to avail this MTF product facility and shall deposit approved Securities as collateral or fund for getting the initial margin and thereby transacting in shares and securities.

Also, I /We hereby confirm that I/We have read and understood the Rights and Obligations as prescribed under SEBI circular no CIR/MIRSD/16/2011 dated August 22, 2011, with regard to Margin Trading Facility. Further, I/we shall agree and abide by the Terms and Conditions of MTF specified by ASPL.

Signature 1)..... 1)..... 1).....

TERMS AND CONDITIONS FOR AVAILING MARGIN TRADING FACILITY (MTF):

- 1) The initial margin payable by the client to ASPL shall be in the form of cash, cash equivalent, or Group 1 equity shares, with appropriate haircut as specified in the SEBI master Circular No. SEBI/HO /MRD/DP/CIR/P/2016/135 dated December 16, 2016. Such margin can be changed from time to time or may be decided by the management of ASPL. Such a margin prescribed by ASPL may be higher than the quantum prescribed by regulatory provisions. The client shall pay applicable initial margin or such other margins as are considered necessary by the stock broker or as may be directed by SEBI / exchange(s) from time to time, as applicable to the margin trading segment in which the client trades.
- 2) As per SEBI circular No. CIR/MRD/DP/54/2017 dated June 13, 2017, Equity Shares that are classified as "Group I Security" by SEBI only shall be eligible for MTF. ASPL, at its discretion, may not provide funding under MTF to certain equity shares, though classified to be "Group I Security" by SEBI. Equity shares shortlisted by SEBI/EXCHANGE for funding (Approved List) shall be as displayed on the ASPL website www.ashlarindia.com from time to time.
- 3) In order to avail of margin facility, the minimum initial margin required to be provided by the Clients, as prescribed by SEBI/Stock Exchanges, is as under:

Category of Stock	Applicable margin
Group I stocks available for trading in the F&O Segment	VaR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VaR + 5 times of applicable ELM*

**For the aforesaid purpose VaR and ELM shall mean VaR and ELM as applicable to respective stocks in the cash segment.*

- 4) The above-mentioned rates of VAR margin are minimum, and the same can be extended on a case-by-case basis.
- 5) Leverage & exposure: ASPL shall provide exposure to client based on maximum allowable exposure limit as prescribed by SEBI/exchange(s) from time to time. However, based on market conditions and the risk perception about the market, ASPL may set the exposure limit on the basis of available collateral, which may comprise ledger balance and stocks (after suitable margin haircut). In case overall position in a particular scrip or across all scrips has reached a particular limit, then client may not be allowed to take further positions.
- 6) Collateral/Securities provided by client towards Margin should be totally unencumbered.
- 7) ASPL may close the existing/partial position of a client if the margin cover falls below the minimum prescribed margin limits as specified by SEBI / Exchange(s) / ASPL guidelines. In case if debit/margin shortfall still exists upon closing the position, collaterals provided by client shall also be liquidated to recover the debit/margin shortfall. In case the ASPL has sufficient Margin cover on behalf of its client, it may still decide based on the market conditions and risk perception, not to allow further position or may close the existing position of a client.
- 8) The above liquidation of position / collateral may be carried out by ASPL at any point of time but not later than T+5 working day from the day of Margin Call.
- 9) The Client agrees that he will be remain informed by visiting Exchange websites about changes in the eligible stocks / collaterals that can be purchased / furnished for the Margin Trading Facility. The customer further agrees that he will take necessary action to replenish the stocks as collaterals in case of any margin shortfall to avoid any RMS Actions.
- 10) Initial margin, increased margin, margin shortage, margin calls, maximum allowable exposure, maximum stock specific exposure, trade confirmation, square off intimation, and such other information in relation to MTF shall be communicated electronically through one or many or all of the following modes, viz email, SMS & telephone calls.
- 11) The margin requirement of client may be changed due to, but not limited to, the following Factors: market volatility, risk management policy of ASPL. ASPL will communicate / advice the parameters for the calculation of the margin / collateral requirement as rate(s)/ percentage(s) of the haircut and/or as VAR / ELM requirement through any one or more means or methods such as by messaging on the computer screen of the client's computer by informing the client through employees/agents of ASPL, by publishing /displaying it on the website of ASPL/ making it available as a download from the website of ASPL; or any other suitable or applicable mode or manner. The client shall monitor his /her / its position (including valuation of collaterals) on his / her / its own and provide the require / deficit margin/collateral as required from time to

time whether or not any margin call or such other separate communication to that effect is sent by ASPL To the client and/or whether or not such communication is received by the client to avoid any liquidation.

- 12) The client agrees that ASPL shall not be responsible for variation, reduction or imposition or the client's inability to create any position through ASPL's trading system on account of any such variation, reduction or imposition of limits. The client further agrees that ASPL may at anytime, at its sole discretion and without prior notice prohibit or restrict the client's ability to create position in securities through ASPL or it may liquidate the position/sell shares or subject any position by the client to a review before its creation and may refuse to create position due to the reason of lack of margin/collateral market perception and any other such reasons which ASPL may deem appropriate in the circumstances. The client agrees that the financial charges and losses, if any, on account of such refusal, liquidation or due to delay caused by such review under MTF or otherwise, shall be borne exclusively by the client alone.
- 13) In addition to powers granted by way of power of attorney executed at the time of account opening, the client hereby authorize ASPL to transfer or pledge the stock held in the demat account with ASPL. ASPL has a right to lien and/or pledge the securities/collaterals and its corporate benefits, if any, lying in demat account of client, or the securities bought by the client under the margin trading facility and shall continue to hold / pledge till the amount due in respect of the said transaction including the dues to ASPL is paid in full by the client.
- 14) Margin requirement on shares purchased under MTF shall be computed by grossing applicable margin i.e., minimum initial margin plus increased margin, if any, on each stock and shortage computed accordingly by deducting available margin from gross margin. Collateral shares and shares purchased under MTF (Funded Shares) shall be marked to market daily for the purpose of computing the margin/shortage of margin.
- 15) Applicable minimum initial margin and increased margin, if any, shall be kept supplied at all times by the clients in respect of the stocks purchased under the MTF. Client shall pay any shortage in the required margin immediately on receiving demand (margin call) and in any case not later than 09.00 A.M on the trade day following the day of making the margin call (prescribed time), failing which ASPL shall be at liberty to liquidate the funded shares and/or collateral shares to recover the dues outstanding in the account of the clients. In case of extreme volatility in the market, ASPL may demand payment of margin forthwith, and the prescribed time for making margin payment shall be construed accordingly. The decision of ASPL in relation to market volatility shall be final and binding without ASPL having to provide any reason for the decision to the Client.
- 16) If the required margin is not provided within the prescribed time, client shall be treated as Client in margin default. ASPL shall not be obliged to notify the Client in margin default of the liquidation of shares, ahead of liquidation. ASPL shall be obliged to liquidate shares proportionate to the shortage in margin.
- 17) Client in margin default shall continue to be in margin default until the required margin is furnished in full to eliminate the shortage. Partial payment of margin or a change in the required margin shall not extend the time stipulated for making margin payment, which will run from the time of making the margin call to the Client.
- 18) In case margin is reduced by an amount equal to applicable ELM component of the total margin due to market volatility within a trading day (i.e. available margin becomes equal to or less than applicable VAR margin), ASPL reserves the right to liquidate the collaterals and/or funded shares forthwith without prior notice to the Client.
- 19) MTF Clients purchasing shares not specified in ASPL Approved List of Group 1 securities shall be required to 100% margin upfront for such purchases.
- 20) If any shares are delisted from the Group 1 Approved List, Client shall be required to make payment of the full purchase consideration against such shares on receiving a margin call within the prescribed time, failing which ASPL shall be at liberty to sell such shares without further notice to the Client.
- 21) If a Client is debarred by orders of a lawful authority from trading in the securities market, ASPL shall liquidate the collateral and funded shares of the Client to recover its dues to the full extent forthwith.
- 22) The stocks deposited as margin collateral and funded stock shall be identifiable separately, and no commingling shall be permitted for the purpose of computing the funding amount.
- 23) ASPL may, at its option, allow Client to buy further shares under MTF on the basis of an increase in the value of collateral shares, subject to an applicable haircut. Further purchase shall not be permitted on the basis of an increase in the market value of funded shares.
- 24) In case of the death of a Client, ASPL shall be entitled to liquidate the collateral and funded shares under MTF and recover the unpaid outstanding due.
- 25) Any loss arising from the liquidation of the shares shall be charged to the account of Client. Client shall forthwith pay ASPL any unpaid dues outstanding in the account after liquidation of the shares.
- 26) IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.
- 27) ASPL shall restrict the maximum gross exposure as well as individual stock-wise exposure of a client under the MTF at any point in time according to its internal policies and market views without assigning any reasons to the client. Furnishing applicable margin shall not, by itself, entitle the Client to seek exposure beyond the limit restricted by ASPL.
- 28) By agreeing to avail of MTF, the Client shall be deemed to have authorized ASPL to retain and/or pledge the shares purchased under MTF (funded shares) and collateral shares provided as margin till the amount due in respect of the purchase and all other dues are paid in full by the Client.
- 29) Until full payment of the outstanding dues in the MTF A/c is made by the client, collateral shares and funded shares, as far as may be required, shall be retained in the DEMAT A/c of ASPL, separately identified as collateral shares and funded shares.
- 30) Margin Trading Account where there is no transaction for 90 days and no dues outstanding from the client shall be settled immediately.
- 31) In case Client does not opt for MTF, all dues on account of purchase of shares, accrued /accruing, shall be payable immediately/on or after T+7, failing which, ASPL shall sell the shares to liquidate /reduce the dues, and remaining unpaid dues, if any, shall become payable forthwith.
- 32) ASPL shall maintain separate ledgers for funds and securities of the client availing of MTF.
- 33) Daily margin statement sent to the MTF Clients shall identify margin/collateral for MTF transactions separately.

- 34) Admitting Clients for MTF shall be at the discretion of the Stock Broker/Trading Member. Clients request for admission to MTF may be disallowed without assigning any reason.
- 35) Client's additional duties :
- In case client is already availing Margin Trading Facility with other brokers, client needs to inform ASPL before availing this facility with ASPL.
 - Clients are required to upfrontly inform their status whether they are Promoter or Promoter Group with regards to the scrips availed under Margin Trading Facility for both Funded Stocks and Collateral Stocks. The same is required to be disclosed to Exchanges and regulators on daily basis by Brokers.
- 36) Termination:
- Member, at its sole discretion, reserves the right to either temporarily or permanently withdraw or suspend the Facility at any time without giving any notice.
 - ASPL reserves the right to temporarily or permanently withdraw MTF with respect to any Client without assigning any reason and giving any notice, in case of any outstanding dues in the account of the Client shall become payable immediately. Failure to make payment of the Outstanding dues shall result in a liquidation of collateral and/or funded shares held in Client's account.
 - The client may terminate the MTF account after paying all dues in the MTF account.
 - In addition to what the client has agreed in the agreement, ASPL may terminate a client with immediate effect, but not limited to the following reasons –
 - If the client is debarred by SEBI or any other regulatory authority.
 - As a part of surveillance measure, if a client appears to be indulging in manipulative practices.
 - Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt.
 - If the client violates any of the terms of the agreement.
- 37) Any disputes arising between the client and ASPL in connection with the margin trading facility or anything incidental or ancillary therewith, the client shall raise/report the same to ASPL not later than within 24 hours of receipt of contract note for the disputed transaction, shall have the same treatment as normal trades and will be covered under the investor grievance redressal, mechanism, arbitration mechanism of the stock exchange.
- 38) **Schedule of Charges (MTF Clients)**

The following charges shall be applicable to clients availing Margin Trading Facility with ASPL:

Particulars	Charges
Interest on funded amount	18% p.a. compounded weekly + applicable taxes
Pledge creation/modification/unpledge	₹20 per script or transaction
Squareoff charges	₹50 per script or transaction
Late payment / delayed margin charges	₹100 per day or 0.05% per day, whichever is higher
Activation Charges (One time only)	₹200 + applicable taxes
Other administrative charges (if any)	As mutually agreed or as published on the website

Note: Charges are exclusive of applicable GST and are subject to revision with prior notice. Please refer to www.ashlarindia.com for the latest updates.

39) **Client Acknowledgement & Consent:**

By signing the MTF Agreement, the Client confirms that they have read and understood the Terms & Conditions, SEBI-prescribed Rights & Obligations, and the risk disclosures. The Client consents to avail MTF and authorize pledge/re-pledge of securities for funding purposes.

Signature 2)..... 2)..... 2).....

Ashlar Securities Private Limited Website: www.ashlarindia.com

Registered Office Address: A-38, Sector-67, Noida-201301 Uttar Pradesh

Correspondence Address: 1d, A-1, Sector-10, Noida-201301 Uttar Pradesh Tel No.: 0120-6633220;

Membership- NSE: 13718 | BSE: 3302 | MCX: 56815 | NSDL - DPID: IN303921 |

SEBI Registration No: Stock Broker: INZ000203739, Depository Participate: IN-DP-2362016

Compliance Officer: Ms. Priya Rathi, Email Id: compliance@ashlarindia.com, Contact No.: 0120-6633229.

For any grievance / dispute please contact stock broker (Ashlar Securities Private Limited) at the above address or Email id Investorcell@ashlarindia.com for stock broking related dispute.

In case not satisfied with the response, please contact and NSE at ignse@nse.co.in and Phone no. +91-22-26598190 and BSE at is@bseindia.com and Phone no. 91-2222728097

ANNEXURE A:

MTF : Rights and Obligations – Mandatory Clauses of BSE

1. Stock Broker/ Member is eligible to provide Margin Trading Facility (MTF) in accordance with SEBI & Exchange Guidelines as specified from time to time.
2. Stock Broker/ Member desirous of extending MTF to their clients is required to obtain prior permission of BSE. Stock Broker/ Member may note that BSE has the right to withdraw the permission at any time.
3. Stock Broker/ Member shall extend the MTF to the client, on such terms and conditions as specified by the Stock Exchange / SEBI from time to time. Stock Broker/ Member and the client shall abide by the requirements of the margin trading framework, including rights and obligations, as prescribed by Stock Exchange/ SEBI/ Stock Broker/ Member.
4. Stock Broker/ Member shall intimate all the terms and conditions, including maximum allowable exposure, specific stock exposures etc., as well as the rights and obligations to the client desirous of availing MTF.
5. Stock Broker/ Member may, at its sole and absolute discretion, increase the limit of initial and/or maintenance margin, from time to time. The Client shall abide by such revision, and where there is an upward revision of such margin amount, he agrees to make up the shortfall within such time as the Stock Broker/ Member may permit. It may however, be noted that the initial/ maintenance margins shall never be lower than that prescribed by Stock Exchange/ SEBI.
6. Stock Broker/ Member shall provide MTF only in respect of such shares, as may be permitted by Stock Exchange/ SEBI.
7. Stock Broker/ Member shall liquidate the securities and other collateral, if the client fails to meet the margin call to comply with the margin requirement as specified by Stock Exchange/ SEBI/ Stock Broker/ Member. In this regard, Stock Broker/ Member shall also list down situations/ conditions in the which the securities may be liquidated (Stock Broker/ Member to list down situations/ conditions):
8. Stock Broker/ Member shall not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client.
9. The stocks deposited as collateral with the Stock Broker/ Member for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and no comingling shall be permitted for the purpose of computing the funding amount
10. IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

The rights and obligations prescribed hereinabove shall be read in conjunction with the rights and obligations as prescribed under SEBI circular no. CIR/ MIRSD/ 16/ 2011 dated August 22, 2011.

Rights and Obligations – Mandatory Clauses of NSE

CLIENT RIGHTS

11. Client shall receive all communications in a mode mutually agreed between the broker and the client regarding confirmation of orders/trades, margin calls, decision to liquidate the position / security.
12. Client shall be free to take the delivery of the securities at any time by repaying the amounts that was paid by the Stock Broker to the Exchange towards securities after paying all dues.
13. Client has a right to change the securities collateral offered for Margin Trading Facility at any time so long as the securities so offered are approved for margin trading facility.
14. Client may close / terminate the Margin Trading Account at any time after paying the dues.

CLIENT OBLIGATIONS

1. Client shall, in writing in his own hand or in any irrefutable electronic method, agree to avail of Margin Trading Facility in accordance with the terms and conditions of Margin Trading Facility offered by the broker, method of communication for confirmation of orders/trades, margin calls and calls for liquidation of collateral/security/position.
2. Client shall inform the broker of its intent to shift the identified transaction under Margin Trading Facility within the time lines specified by the broker failing which the transaction will be treated under the normal trading facility
3. Client shall place the margin amounts as the Stock Broker may specify to the client from time to time.
5. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stock Broker within such time as the Stock Broker may specify.
6. By agreeing to avail Margin Trading Facility with the broker, client is deemed to have authorized the broker to retain and/or pledge the securities provided as collateral or purchased under the Margin Trading Facility till the amount due in respect of the said transaction including the dues to the broker is paid in full by the client.
7. Client shall lodge protest or disagreement with any transaction done under the margin trading facility within the timelines as may be agreed between the client and broker.

STOCK BROKER RIGHTS

1. Stock Broker and client may agree between themselves the terms and condition including commercial terms if any before commencement of MTF.
2. Stock broker may set up its own risk management policy that will be applicable to the transactions done under the Margin Trading Facility. Stock broker may make amendments there to at any time but give effect to such policy after the amendments are duly communicated to the clients registered under the Margin Trading Facility.

3. The broker has a right to retain and/or pledge the securities provided as collateral or the securities bought by the client under the Margin Trading Facility.
4. The broker may liquidate the securities if the client fails to meet the margin call made by the broker as mutually agreed of liquidation terms but not exceeding 5 working days from the day of margin call.

STOCK BROKER OBLIGATIONS

1. Stock broker shall agree with the client the terms and condition before extending Margin Trading Facility to such client. However, for clients who already have existing trading relationship and want to avail of Margin Trading Facility, stock broker may take consent in writing in his own hand or in any irrefutable electronic method after stock broker has communicated the terms and conditions of Margin Trading Facility to such existing clients.
2. The terms and conditions of Margin Trading Facility shall be identified separately, in a distinct section if given as a part of account opening agreement.
3. The mode of communication of order confirmation, margin calls or liquidation of position/security shall be as agreed between the broker and the client and shall be in writing in his own hand or in any irrefutable electronic method. Stock broker shall prescribe and communicate its margin policies on haircuts/ VAR margins subject to minimum requirements specified by SEBI and exchanges from time to time.
4. The Stock Broker shall monitor and review on a continuous basis the client's positions with regard to MTF. It is desirable that appropriate alert mechanism is set up through which clients are alerted on possible breach of margin requirements.
5. Any transaction to be considered for exposure to MTF shall be determined as per the policy of the broker provided that such determination shall happen not later than T + 1 day.
6. If the transaction is entered under margin trading account, there will not be any further confirmation that it is margin trading transaction other than contract note.
7. In case the determination happens after the issuance of contract, the broker shall issue appropriate records to communicate to Client the change in status of transaction from
8. Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
9. The Stock Broker shall make a 'margin call' requiring the client to place such margin; any such call shall clearly indicate the additional/deficient margin to be made good.
10. Time period for liquidation of position/security shall be in accordance declared policy of the broker as applicable to all MTF clients consistently. However, the same should not be later than 5 working (trading) days from the day of 'margin call'. If securities are liquidated, the contract note issued for such margin call related transactions shall carry an asterisk or identifier that the transaction has arisen out of margin call.
11. The daily margin statements sent by broker to the client shall identify the margin/collateral for Margin Trading separately.
12. Margin Trading Accounts where there was no transactions for 90 days shall be settled immediately.
13. The stocks deposited as collateral with the stock broker for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and there shall not be any comingling for the purpose of computing funding amount;
14. Stock Broker shall close/terminate the account of the client forthwith upon receipt of such request from the client subject to the condition that the client has paid dues under Margin Trading Facility.

TERMINATION OF RELATIONSHIP

1. The margin trading arrangement between the stock broker and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to the Stock Broker or the Stock Broker surrenders the facility or the Stock Broker ceases to be a Member of the stock exchange.
2. The MTF facility may be withdrawn by the broker, in the event of client committing any breach of any terms or conditions therein or at any time after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, client may opt to terminate the margin trading facility in the event of broker committing any breach of any terms or conditions therein or for any other reason.
3. In the event of termination of this arrangement, the client shall forthwith settle the dues of the Stock Broker. The Stock Broker shall be entitled to immediately adjust the Margin\ Amount against the dues of the client, and the client hereby authorizes the Stock Broker to make such adjustment.
4. After such adjustment, if any further amount is due from the client to the Stock Broker, the client shall settle the same
5. Forthwith. Upon full settlement of all the dues of the client to the Stock Broker, the Stock Broker shall release the balance amount to the client.
6. If the client opts to terminate the margin trading facility, broker shall forthwith return to the client all the collaterals provided and funded securities retained on payment of all the dues by clients.